

**Minutes  
Coastal Carolina University  
Board of Trustees**

**Finance and Audit Committee  
Singleton Ballroom  
October 22, 2020**

**Members of the Committee Present:** Wyatt Henderson, Lee Belcher, Dalton Floyd, Natasha Hanna, Sherry Johnson, Jason Repak

**Committee Member Not Present:** None

**Other Board Members Present:** John Bartell, William Biggs, Lisa Davis, Daniel Moore, George Mullen, Oran Smith, Patrick Sparks, Eugene Spivey, Delan Stevens, William Turner

**Board Members Not Present:** Samuel Swad

**Others Present:** Michael Benson, Brant Branham, Brian Bunton, Amanda Craddock, David DeCenzo, Lydia Deeck, Edgar Dyer, Daniel Ennis, David Frost, Sara Hottinger, Martha Hunn, Carlos Johnson, Tracy Jones, Ben Kochenower, Travis Overton, Julie Quinn, Daniel Rabon, Jerry Rashid, David Roper, Erika Small, Lila Taylor, Gregory Thompson, Mike Wallace

(In accordance with the requirements of the South Carolina Freedom of Information Act, the news media were notified of the time, location, and agenda for the meeting. Two members of the media were in attendance: Katie Powell of The Horry Independent and Katherine Phillips of WMBF News.)

Chair Wyatt Henderson brought the meeting to order at 10:58 a.m.

Henderson stated that the Aug. 6, 2020, Finance, Planning and Facilities Committee meeting minutes will be approved in the General Board of Trustee meeting the following day due to the committee restructuring.

Henderson noted the new committee's functions and goals were listed in the Board of Trustee bylaws for all to review.

Ben Kochenower of Cline, Brant, Kochenower & Po, P.A., gave the 2019-2020 Audit Report. The Trustees were given a Management Discussion and Analysis document explaining the audit in detail. Nothing rose to the level of materiality from the report on internal control, the yellow book portion of the audit, and there were no adjustments to be made. The federal portion of the audit is not complete, as with other colleges in the country. Due to the CARES Act money that the University received last year, they are still waiting on the final compliance supplement documents from the government. Once received, the report will be finalized and reissued.

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The Trustees were directed to look at the financial statements in the Management Discussion and Analysis document to see that the University paid down \$40 million dollars of debt, and retirement liability went up about \$20 million, yet cash only went down \$17 million. This is clearly explained in the document.

Kochenower stated that the University's finance department responded exceptionally. The audit went smoothly, and there was no pushback from management.

Henderson requested that the finance department stand and be recognized for their hard work ensuring this audit was successfully completed. David Frost, Senior Vice President for Finance and Administration/Chief Financial Officer, acknowledged the hard work of his team: Greg Thompson, Mike Wallace, Daniel Rabon, Tracy Jones, and Lila Taylor.

Jason Repak moved to go into Executive Session to review personnel/contractual matters. Sherry Johnson seconded, and the motion carried.

Upon returning from Executive Session, it is noted that no action was taken.

Frost presented a Financial Update regarding the financial projection for 2020-2021. With the termination of four leases this academic year, the future annual lease savings will be \$327,870.00. This is a significant amount of savings, and the University is excited about this. Through July 2020, \$6.8 million dollars was collected from the Horry County One-Cent Capital Projects Sales Tax (penny sales tax). For this current fiscal year, it is projected that the University will receive around \$10.8 million from the penny sales tax. These numbers are better than originally estimated, and hopefully, the fall will continue to be strong.

**Dalton Floyd moved for renewal of one-year lease (Nov. 1, 2020, through Oct. 31, 2021) from the Coastal Educational Foundation for real property consisting of the property located on Tilghman Point and Waties Island in Little River Township, Horry County, South Carolina (Motion 20-FAA-01). Repak seconded, and the motion carried.**

**Repak moved for renewal of one-year lease (Nov. 1, 2020, through Oct. 31, 2021) from the Coastal Educational Foundation for the corner property at Founders Drive and 544 for three (3) more consecutive years (Motion 20-FAA-02). Lee Belcher seconded, and the motion carried.**

As there was no additional business, Floyd moved to adjourn. Repak seconded, and the motion carried.

Respectfully submitted,

*Lydia Deeck*  
Lydia Deeck  
Recorder